DOCUMENT RESUME

ED 276 808 CE 045 804

AUTHOR Creighton, John P.
TITLE "Fee Contracting": Marketing Adult Education Program Offerings on a Cost-Recovery Basis. Cost-Recovery Basis.
PUB DATE Oct 86
NOTE 7p.; Paper presented at the National Adult Education Conference (Hollywood, FL, October 1986).
PUB TYPE Guides - Non-Classroom Use (055) -- Speeches/Conference Papers (150)

EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS *Adult Education; *Adult Programs; *Business; *Contracts; Corporate Education; Delivery Systems; Employment Programs; Federal Programs; Industry; Inplant Programs; *Marketing; Outreach Programs; Program Development; Program Implementation; *Public Agencies; School Business Relationship; School Community Relationship; Staff Development

ABSTRACT

This workshop presents a Maryland model of delivering public adult education services to business, industry, and public agencies on a cost-recovery basis. A rationale is discussed for the role of public adult education in provision of services on this basis. Ten ways to get started without a marketing specialist are listed. Good leads to prospective clients for these services are also recommended. Suggestions follow for promoting, marketing, developing, and implementing services. A review of administrative issues includes a listing of characteristics required by the program administrator. Advantages to the adult education program are cited. (YLB)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED276808

"FEE CONTRACTING": MARKETING ADULT EDUCATION PROGRAM OFFERINGS ON A COST-RECOVERY BASIS

John P. Creighton

Maryland Department of Education

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

☐ This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

J P Creighton

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

CE 045804

"FEE CONTRACTING": MARKETING ADULT EDUCATION
PROGRAM OFFERINGS ON A COST-RECOVERY BASIS

This workshop presented a Maryland model of delivering public adult education services to business, industry, and public agencies on a cost-recovery basis.

SHOULD PUBLIC ADULT EDUCATION BE IN THE BUSINESS OF PROVIDING SERVICES ON THIS BASIS? IS THIS AN APPROPRIATE ROLE?

The Carnegie Report, Corporate Classrooms - The Learning Experience, notes that 45 billion dollars is expended annually for employee training and education in the private sector with $300 million going to the improvement of reading skills alone.

Our philosophy in Maryland is that this role is appropriate for several reasons:

- The companies and their workers are located in our communities and pay taxes.
- "Nobody Does It Better". We are very good at what we do. We can and do develop and market employer-specific programs.
- We accept the fact that we have an essential need for creative funding and a reduced dependence upon the vagaries of government funding. Contracts assist us to do long-range strategic planning, rather than year-to-year survival strategy planning.

Therefore, we accept the notion of marketing adult education as a product. We believe that dollars earned is one viable measure of program effectiveness.

- We have discovered that there is nothing arcane about this concept. It is a simple game. If you provide an employer with something worth paying for, he will gladly pay you.

TEN WAYS TO GET STARTED WITHOUT A MARKETING SPECIALIST

1. Include information in your brochure. Add to the listing of groups who receive it.
2. Go public through the contacts you already have, like committees and advisory councils.
3. Conduct a job fair or career night.
4. Run an ad in local business journals.
5. Enlist the help of your outreach or community development specialist.
6. Explain the concept to organizations, institutions, and agencies who call requesting a free class.

7. Ask for start-up seed money from your main funding source(s). Offer to help with staff development in this area the following year.

8. Get copies of company in-house newsletters. They will often give you ideas about the training and education interests of companies as well as ideas for future offerings.

9. Obtain lists of companies and agencies. Send them letters, flyers, and brochures. Then follow-up with a phone call: "Do you have any training needs? Can I help you?"

10. Word of mouth. Word will get around if you follow through on items #1 - #9.

GOOD LEADS

1. The National Guard. They pay for high school diploma programs for their men and women. A diploma is a condition of promotion.

2. Vocational Rehabilitation. They usually pay by the hour for client services. They can refer you to affiliated substance abuse programs.

3. JTPA. They are interested in pretraining and job training readiness. Tell them that you can raise academic ability levels and determine for them who will succeed in training programs. They are measured against performance standards including success rates and are paid on numbers of program completers.

4. Developmentally Disabled. . These groups are interested in IPP's and goal setting for their clients and training for their staff. They are frequently part of a consortium. Special education services end at age 21 or upon leaving school.

5. Organizations which hire entry level, unskilled employees. Examples are state highway administrations and departments of parks and recreation. These often have career ladders in place which employees cannot follow because of a lack of basic skills or a high school diploma.

WHAT NEEDS TO BE DONE

1. Develop promotional materials and allocate space in existing materials. Emphasize your ability to deliver tailor-made job-related programs designed to meet organizational needs. Once contracts have been developed, get permission to include the names of companies who have become satisfied consumers.

2. When you get a lead, call for a definite appointment. Immediately thereafter, write a letter confirming the appointment.

3. Get to know the organizational titles used. It may be Training Officer, HRD Specialist, O.D. (organizational development) Specialist. If such a job is nonexistent, find out where that function is housed. Is it a personnel officer, in Safety, EEO, Plant Superintendent, or just who?

4. Someone has to visit the interested companies who respond. Assign someone marketing responsibility. The most important qualities needed are enthusiasm, zest, honesty in dealings, and the ability to listen. Forget about credentials. That person needs to be a turned-on, persistent champion of the program and a true believer. Pay should be less important to him/her than ownership and commitment.

5. Always make a personal visit. During the company appointment, find out the company's perception of the problem and what needs to be done. Assess the employer's needs. Listen carefully. It's their money. Tell them what all the options are including classes presently available. Be totally honest.

   If appropriate, propose delivering educational services on-site. Ask them if what you are proposing will do them any good. Will it increase productivity, be cost-effective in payback for proposed training/education, or fulfill their commitment to corporate responsibility to their employees?

   You should be talking to the highest ranking person who will see you. Suggest that they consider trying out your proposal for 8-10 weeks on a pilot contract basis. Your contact will have to talk to other people before he/she can commit. Do not pressure him for an immediate response. Understand that not all of your proposals will pan out, even if the training officer is all excited about the idea.

6. An additional meeting or meetings may be needed before the contract is completed. Companies like a cost determination sheet in order to understand how you arrived at your cost figure.

7. You gear up by identifying a teacher, planning for employee participant assessment, and developing a written curriculum and course outline. You need the latter for the teacher and to share when the corporate executive asks the training officer, "What did you spend $4000 for?"

   Get the teacher the materials he/she wants and arrange to teach on site with release time, if at all possible. Release time tells the employees that the company is really committed and provides an excellent incentive for them to enroll and attend regularly.

8. Arrange to provide the company with evidence of participant progress. Ask them to share their follow-up results with you.

HINTS FOR CONTRACT DEVELOPMENT

1. In dealing with government agencies, be aware that they may require a fairly complicated contract.

2. Submit a specific proposal for each company. Hit them while the idea is hot. Rewrite it if necessary.

3. If you price too low, they will think that the program can't be any good. One rule of thumb is a price no less than $30 per instructional hour.

4. Administrative costs are necessary and should be included.

5. They may want to pay on a per employee basis or use a tuition based approach. Under the new tax law, employers can take a deduction for tuition costs. They may want an employee agreement stating that the employee pays if he stops attending.

6. Our experience has been that contract size can vary from $100 for a reading assessment of one person, to as high as $18,000.

ADMINISTRATIVE ISSUES

1. The program will create staff development needs. You will need to build a cadre of staff who can (a) assess business and agency needs, (b) design training/education packages, and (c) develop improved overall marketing skills.

2. Success factors in program administration.

   The program administrator:

   - Recognizes that successful innovation doesn't come from the executive suite.
   - Provides respect, collaboration, support and commitment. Works with the marketing person. Knows that, just as teachers want to teach, the marketer wants to go out and sell adult education.
   - Provides a lot of leadership but little management and supervision. Trusts his/her people. Is a cheerleader and coach.
   - Focuses on contracting as a real priority effort.
   - Encourages the marketer to take risks; try it, test it. Understands that there really isn't any fixed standard against which to measure success and that other benefits accrue to the program simply by instituting the process.
   - Know that there will be disappointments.
   - Understands that there is probably a high correlation between the number of visits made to companies and the number of contracts obtained.

ADVANTAGES TO THE ADULT EDUCATION PROGRAM

1. High visibility in the business community and consequent high potential for overall program support. It gives you a power base you may need for political reasons. It strengthens the program generally.

2. Cost-recovery contracts reduce costs per student for taxpayer supported programs.

3. Your program becomes multiple-funded. Dependence on grants and government funding is reduced, at least to a degree.

4. It gives your teachers more work and an exciting new kind of experience. They are much less likely to jump ship.

5. Contracting brings in money and it makes you look good doing it.